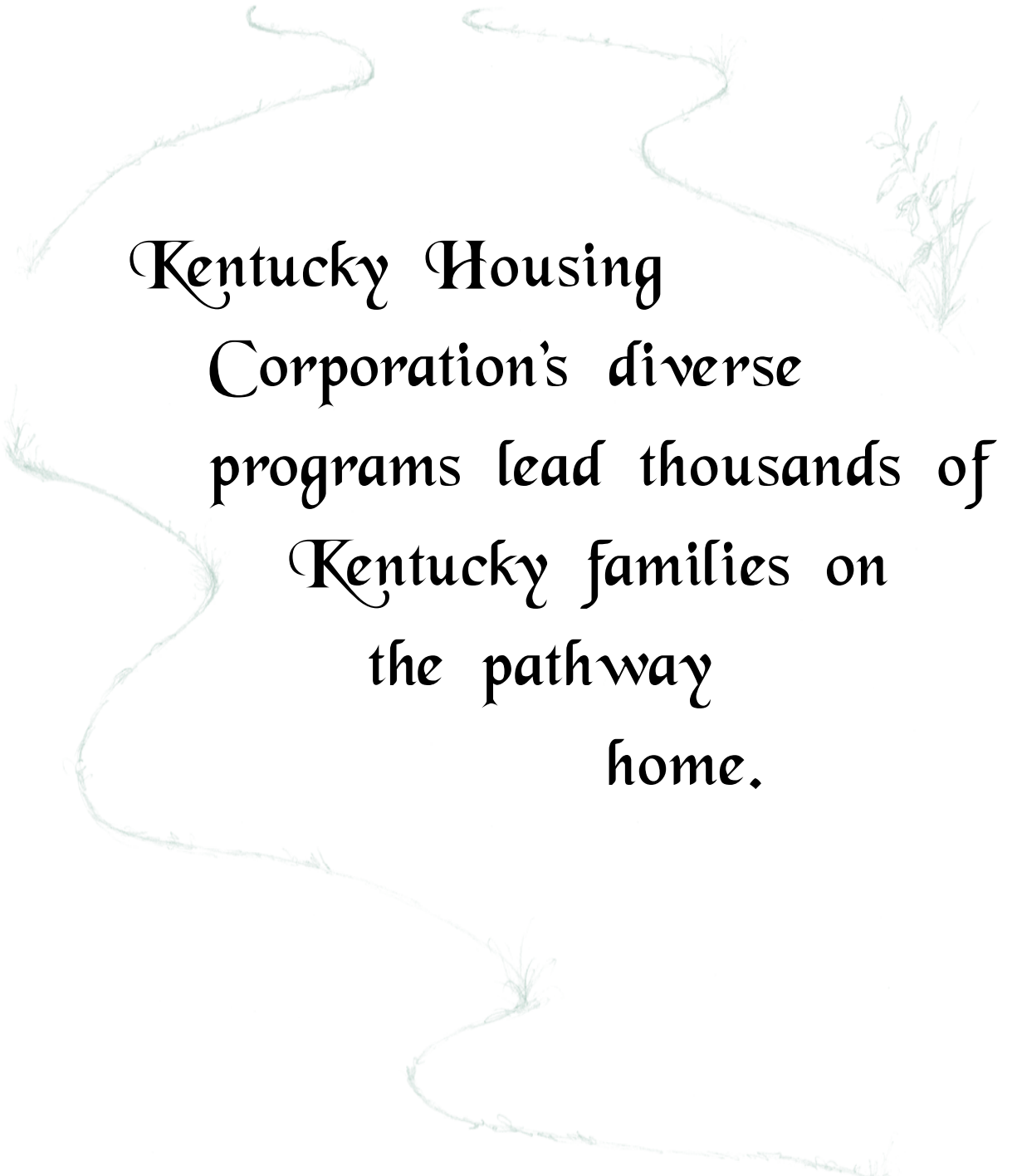


Pathways Home

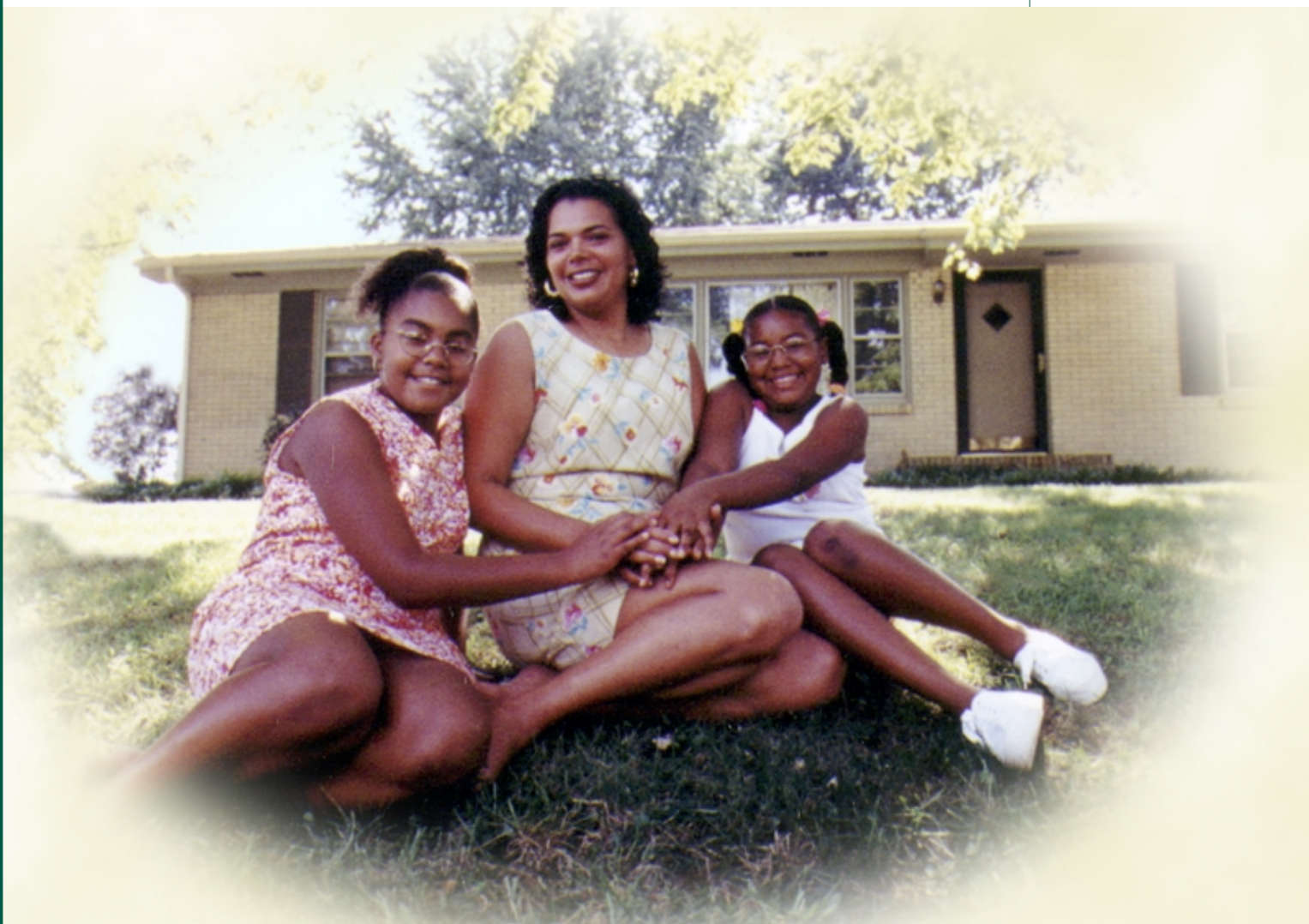


Kentucky Housing Corporation
2000 Annual Report



Kentucky Housing
Corporation's diverse
programs lead thousands of
Kentucky families on
the pathway
home.

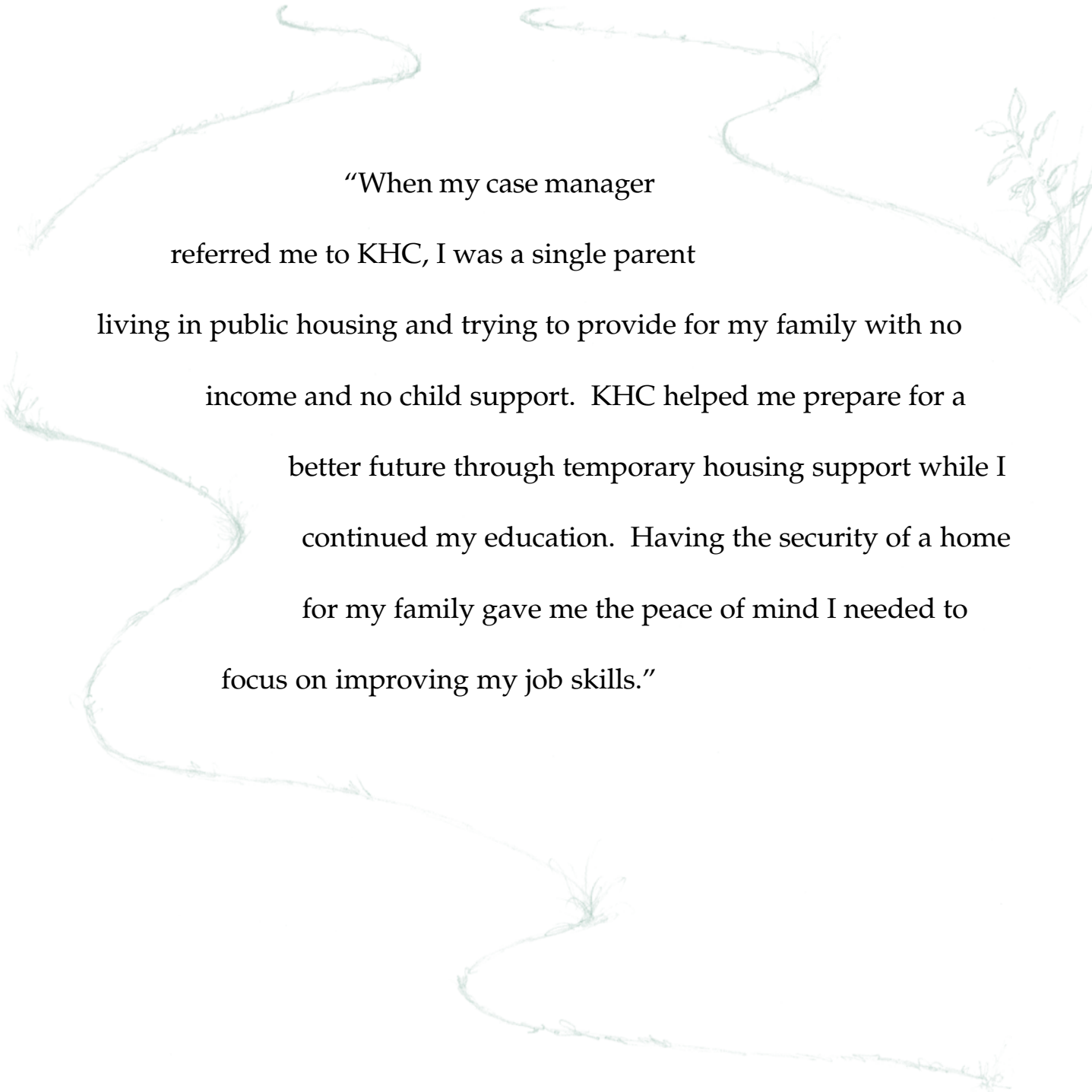




Denise Hillis and daughters, Kenya and Lettia



Security and peace of mind



“When my case manager referred me to KHC, I was a single parent living in public housing and trying to provide for my family with no income and no child support. KHC helped me prepare for a better future through temporary housing support while I continued my education. Having the security of a home for my family gave me the peace of mind I needed to focus on improving my job skills.”



Hope and self-confidence

“KHC’s Family Self-Sufficiency Program

allowed me to save and pay off my debts so I could qualify for a

home mortgage loan. It gave me hope and made becoming a

homeowner more of a possibility. The whole process

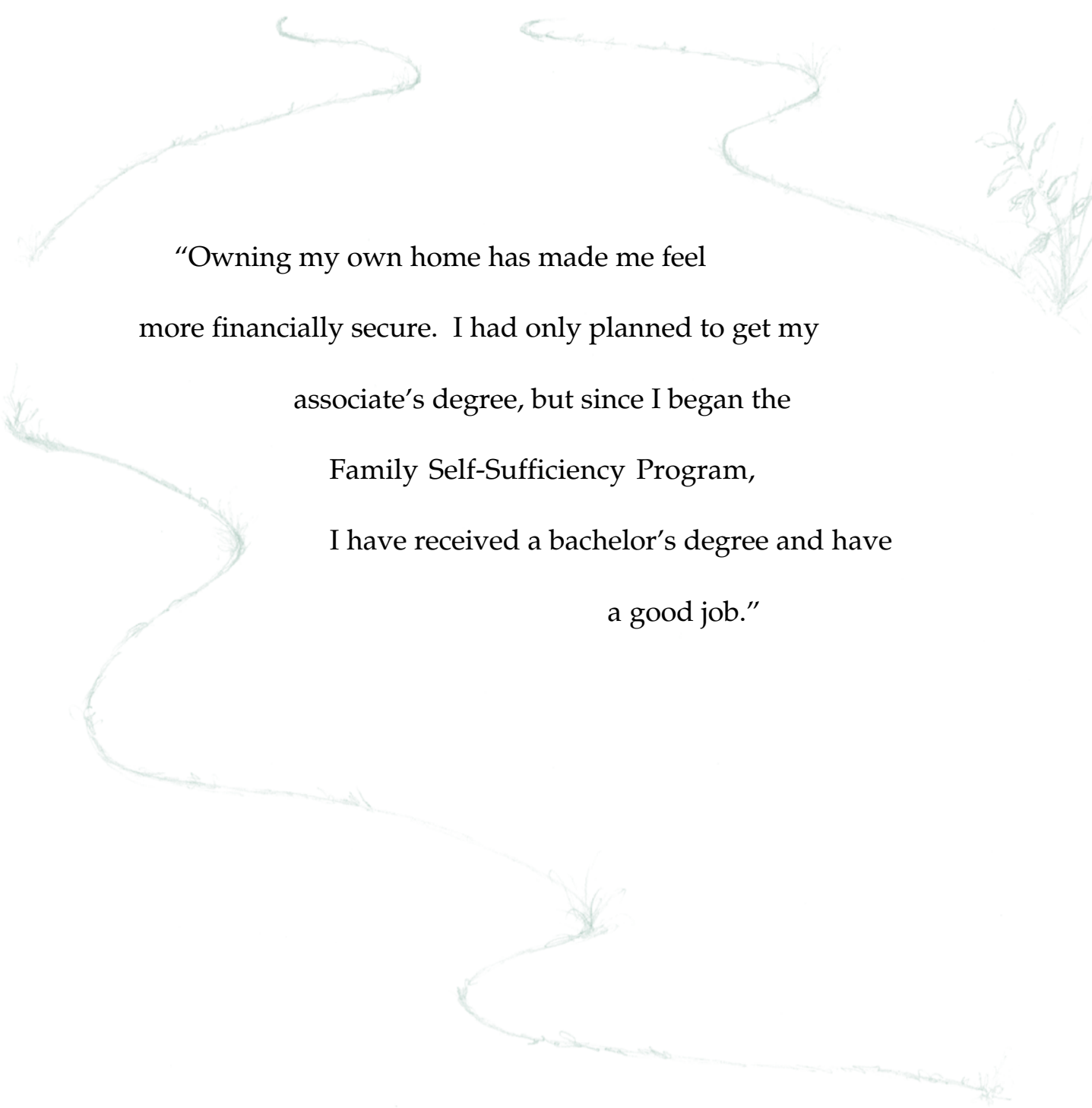
increased my self-confidence, my self-esteem and

my awareness of the importance of

financial planning.”



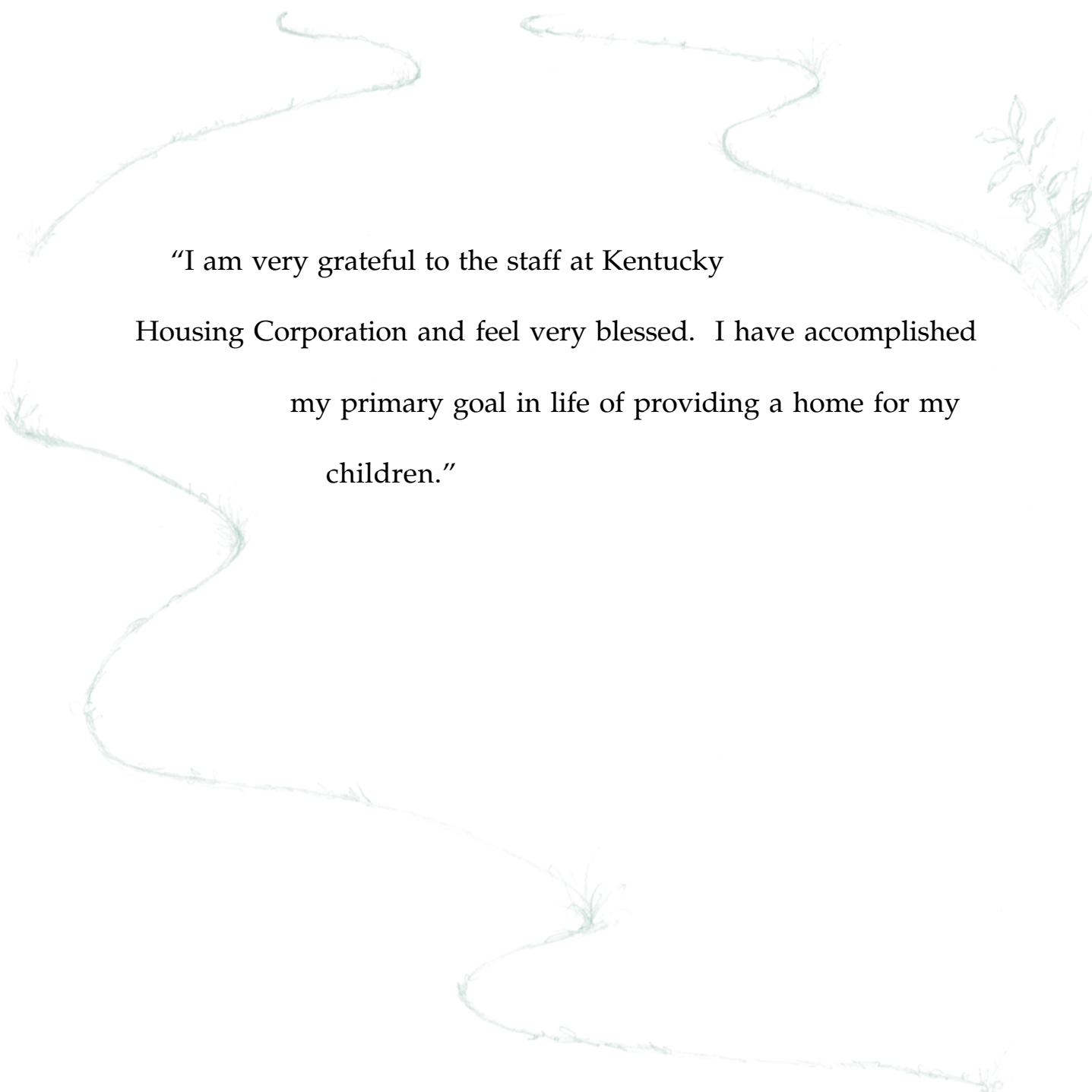
Financial security and education



“Owning my own home has made me feel more financially secure. I had only planned to get my associate’s degree, but since I began the Family Self-Sufficiency Program, I have received a bachelor’s degree and have a good job.”



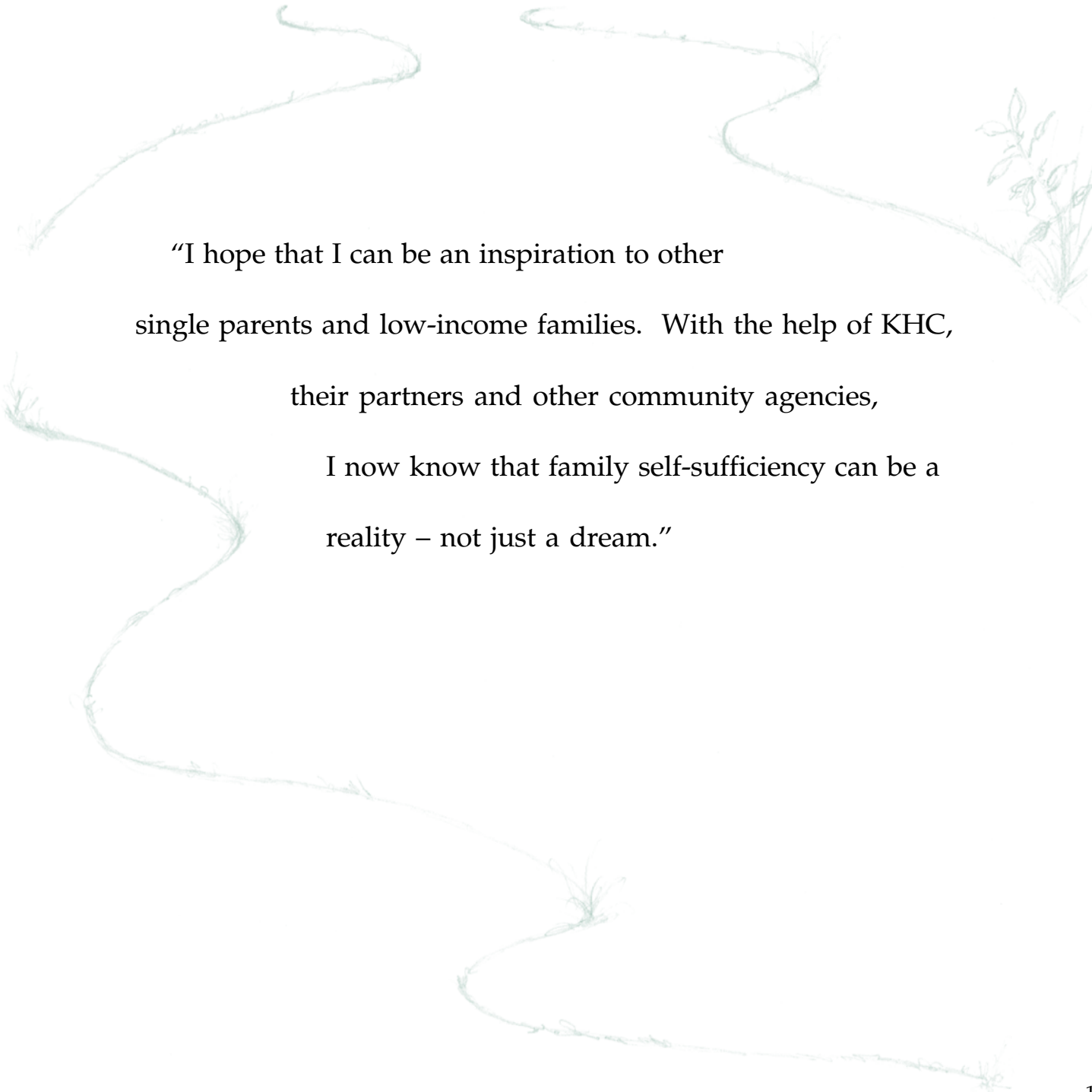
Home and children



"I am very grateful to the staff at Kentucky
Housing Corporation and feel very blessed. I have accomplished
my primary goal in life of providing a home for my
children."



Self-sufficiency and reality



"I hope that I can be an inspiration to other
single parents and low-income families. With the help of KHC,
their partners and other community agencies,
I now know that family self-sufficiency can be a
reality – not just a dream."

Message from the Governor



COMMONWEALTH OF KENTUCKY OFFICE OF THE GOVERNOR

PAUL E. PATTON
GOVERNOR

700 CAPITOL AVENUE
SUITE 100
FRANKFORT, KY 40601
(502) 564-2611
FAX: (502) 564-2517

Dear Friends:

Congratulations to the Board of Directors and staff of Kentucky Housing Corporation for another successful year in serving Kentucky's families with housing needs.

Because Kentuckians have a strong commitment to home and family, we have worked together this past year to keep our families at home in the Commonwealth through affordable housing, jobs and educational opportunities. Thanks to a growing sense of community and pride, our residents appreciate Kentucky's rich heritage and look forward to helping build a brighter future for our children and grandchildren.

I am especially proud of the Renaissance Kentucky initiative that began in 1997. This holistic approach to downtown redevelopment is working because of the successful partnerships being formed among federal, state and local governments, as well as developers, property owners and private citizens. By creating affordable housing, retail, business and cultural opportunities in the heart of our cities, future generations will reap the benefits of community-enriched traditions.

Again, we congratulate Kentucky Housing Corporation and all of its partners who are committed to uplifting the quality of life for Kentucky's families.

Sincerely,

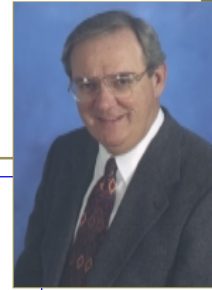
A handwritten signature in black ink that reads "Paul E. Patton".

Paul E. Patton



AN EQUAL OPPORTUNITY EMPLOYER M/F/D

Message from the Chairman of the Board and the Chief Executive Officer



Dear Friends:

We often wonder, year after year, how we are going to top the previous year's achievements and why it is important that we do. It is important because we must continue to increase our accomplishments each year if we are to reach our goal of assuring that every Kentuckian has a safe, decent, affordable place to call home. Perhaps that may not be a realistic goal, at least in our lifetime, but the harsh reality that so many of our families have housing needs makes it well worth our efforts.

The way we broke past records during fiscal year 2000 was by abandoning former expectations and looking beyond current limitations. In today's world, possibilities guide our direction and effective strategic thinking allows for some degree of the unexpected.

Our long-range planning in the past has included some allowance for the negative unexpected, like tornadoes and floods that destroy homes. We have also positioned ourselves to search and be ready for positive changes as well. For example, several years ago, we could only dream of such possibilities as providing housing for thousands of Kentuckians with unclaimed lottery winnings or welcoming our partner lenders to an electronic venue that would facilitate and expedite mortgage business. When we discovered that such opportunities might be possible, we were ready with result-based action.

This has been yet another banner year for Kentucky Housing Corporation, and we are pleased to highlight the results for you in the following pages. Many thanks to all of our partners across the state who help make these achievements possible. We pledge to keep our minds and hearts open to all new possibilities that support reaching our goal of safe, decent, affordable housing for all Kentuckians.

Very truly yours,

A handwritten signature in black ink that reads "James S. Goldberg".

James S. Goldberg
Chairman of the Board of Directors

A handwritten signature in black ink that reads "F. Lynn Luallen".

F. Lynn Luallen
Chief Executive Officer



KHC Board of Directors



Bob Arnold
* Commissioner
of Local Government



Ben Chandler
* Attorney General



Barbara Curry
** Local Government



James F. Fields
** Consumers



James Goldberg
** Real Estate
Practitioners



**David S.
Greenberg**
** Home Construction
Industry



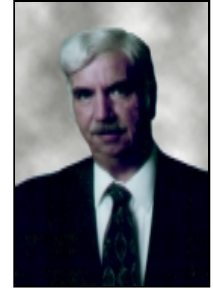
**Michael N.
Harreld**
** Financial Institutions



**F. Michael
Haydon**
* Secretary of Revenue



**Dr. Stephen L.
Henry**
* Lieutenant Governor



Sam Lee
** Manufactured
Housing



John P. McCarty
* Secretary of Finance
and Administration



Phyllis Pack
** Kentucky State
Building Trades Council



**Porter G.
Peebles, Sr.**
** Homeless



**Marvin E.
Strong, Jr.**
* Secretary of Economic
Development

* Ex Officio
** Representative of
designated interest

KHC Leadership

(back, l-r) James R. Ackinson, Chief Financial Officer;
Sue Lowery, Chief Information Technology Officer;
J. Kathryn Peters, Chief Administrative Officer;
Richard L. McQuady, Chief Program Officer;
(front, l-r) James Goldberg, Chairman of the Board,
and F. Lynn Luallen, Chief Executive Officer



Highlights of 2000

- ◆ New partnership between U.S. Department of Agriculture's Rural Housing Services and KHC created HomeStart Program to help rural low-income residents purchase homes.
- ◆ KHC's employee contributions to Kentucky Employees Charitable Campaign exceeded previous totals and current goal.
- ◆ Michael N. Harreld, regional president of PNC Bank, N.A., appointed to Board of Directors representing financial institutions.
- ◆ David S. Greenberg, home builder and developer, appointed to Board of Directors representing home construction industry.
- ◆ 1999 Governor's Housing Conference held in Louisville with over 625 participants. Awards presented to JoAnn Mosley of Mountain Community Hospice for Excellence in Housing Individual Award; Homeless and Housing Coalition of Kentucky for Excellence in Housing Nonprofit Award; AU Associates, Inc., for Excellence in Housing For-Profit Award; Louis Kurtz of Kentucky Department of Mental Health and Mental Retardation Services for Mae Street Kidd Outstanding Service Award; and Donnie Proffit of HOMES, Inc, for Dorothy J. Williams Lifetime Achievement Award.
- ◆ Renaissance Kentucky received Blue Ribbon Best Practices Award from U.S. Department of Housing and Urban Development.
- ◆ James Follace Fields, KHC Board member, elected to serve as member of National Conference of State Housing Boards.
- ◆ Governor Paul Patton received Wilson Wyatt Award from Kentucky League of Cities for his creation and implementation of Renaissance Kentucky.
- ◆ Mae Street Kidd, lawmaker from Louisville who sponsored legislation that created Kentucky Housing Corporation in 1972, also well-known business and civic leader, passed away at age 95.
- ◆ New Web site for KHC partner lenders launched as part of Corporation's single-family loan process improvement implementation.
- ◆ Thirty-two new communities applied for Renaissance Kentucky designation in addition to original forty-one.
- ◆ Celebrations held around state announcing transfer of unclaimed lottery winnings to Affordable Housing Trust Fund.
- ◆ Selected gold and silver Renaissance Kentucky communities were awarded a total of \$8 million from federal transportation and state funds for infrastructure planning, utility relocation and façade improvements.



Highlights of 2000

- ◆ Kentucky Appalachian Housing Program expanded.
- ◆ Annual Housing Management Conference held in May with over 600 participants jointly hosted by KHC, U.S. Department of Housing and Urban Development and Southeastern Assisted Housing Management Association.
- ◆ New rental production programs, Small Multifamily Affordable Loans and Special Needs Assistance Program, introduced.
- ◆ Information Technology staff ensured KHC's Y2K readiness.
- ◆ Family Self-Sufficiency Program expanded.
- ◆ Legislation unanimously passed by 2000 General Assembly to increase KHC's debt ceiling from \$1.125 billion to \$2.5 billion.
- ◆ Legislation unanimously passed by 2000 General Assembly to allow transfer of unclaimed lottery prize winnings in excess of \$6 million per year for next biennium.
- ◆ State General Fund budget approved by 2000 General Assembly appropriated \$12 million over next biennium for Renaissance Kentucky.
- ◆ New Predevelopment Loan Program created to assist nonprofits with predevelopment expenses.
- ◆ 2000-2002 Interim Consolidated Plan completed and submitted to U.S. Department of Housing and Urban Development.
- ◆ June 2000 largest production month ever for KHC single-family home mortgages with 328 loans totaling \$22,317,000.



Impact of Housing Production

- 2,735 families received low-interest mortgage loans.
- 535 families received down payment and closing costs assistance loans.
- 28 percent of 840 Yes You Can ... Own A Home (KHC's homeownership education course) graduates became homeowners.
- 473 families received 890 homeownership counseling sessions.
- 25,000 Kentuckians assisted through KHC's Specialized Housing Resources programs.
- 18 of 46 Family Self-Sufficiency graduates became homeowners.
- \$50,000 given to Habitat for Humanity by KHC for administrative expenses and unit production.
- 15,771 loans serviced by KHC.
- 2,854 units assigned to Mark-to-Market program for restructuring.
- 15,839 households received Section 8 rental assistance.
- 1,438 families assisted through Affordable Housing Trust Fund.
- 41 new single-family homes being constructed through KHC-builder financing for income-eligible buyers.
- 39 shelters assisted by Emergency Shelter Grant program.
- 591 families assisted through HOME Investment Partnerships Program.
- 632 Kentuckians assisted by Housing Opportunities for Persons With AIDS program.
- 116 families served by Kentucky Appalachian Housing Program.
- 1,078 new units of rental housing being constructed with Housing Credits.
- 955 families assisted through Nonprofit Housing Production and Repair Program.
- 139 new units of rental housing under production with help from Risk-Sharing Program.
- 38 units of rental housing for elderly being provided through Assisted Living Program.
- 177 homeowners received assistance with badly needed repairs thanks to Repair Affair.



Mission

Kentucky Housing Corporation was created to provide safe, decent, affordable housing opportunities for very low-, low- and moderate-income Kentuckians. Recognizing that housing is a basic human need, KHC is committed to pursue all partnerships and resources necessary to promote, develop and provide affordable housing, thereby improving the quality of life for all Kentuckians.

Values

Respect: We treat each other and our customers with respect and dignity, always valuing individual and cultural differences. We communicate frequently and with candor, listening to each other and our customers regardless of individual circumstances. We encourage the use of our individual capabilities to the fullest to satisfy our customers.

Commitment: We build successful relationships and partnerships by serving each other and our customers better each time than the time before.

Integrity: We are honest and ethical in all our dealings with our customers and each other. We keep promises and admit mistakes. Our individual conduct collectively ensures that KHC is worthy of public trust.



KHC Programs and Contact Information

HOMEOWNERSHIP PROGRAMS

- Homeownership, Ann McCarthy, (502) 564-7630, ext. 291, amccarthy@kyhousing.org
- Down Payment Assistance, Cheryl Harp, (502) 564-7630, ext. 216, charp@kyhousing.org
- Homeownership Trust Fund, Beverly Salchli, (502) 564-7630, ext. 272, bsalchli@kyhousing.org
- Yes You Can ... Own A Home (homeownership education), Mae Crawford, (502) 564-7630, ext. 324, mcrawford@kyhousing.org
- Homeownership Counseling, Lamar Davis, (502) 564-7630, ext. 303, ldavis@kyhousing.org
- Loan Servicing, Nancy Myers, (502) 564-7630, ext. 223, nmyers@kyhousing.org

RENTAL PROGRAMS

- Rental Administration, Carol Payton, (502) 564-9946, ext. 237, cpayton@kyhousing.org
- Rental Assistance, Minnie Lemay, (502) 564-9946, ext. 226, mlemay@kyhousing.org
- Family Self-Sufficiency, Joyce Spotts, (502) 899-3163, jspotts@kyhousing.org
- Rental Deposits, Brenda Harp, (502) 564-9946, ext. 220, bharp@kyhousing.org

RENTAL HOUSING PRODUCTION

- Low Income Housing Tax Credits (Housing Credits), Walter Clare, (502) 564-7630, ext. 264, wclare@kyhousing.org
- Risk-Sharing, Mike Powers, (502) 564-7630, ext. 378, mpowers@kyhousing.org
- Assisted Living, Karen Jones, (502) 564-7630, ext. 331, kjones@kyhousing.org
- Mark-to-Market, Mark Offerman, (502) 564-7630, ext. 266, mofferman@kyhousing.org
- Small Multifamily Affordable Loans, Karen Jones, (502) 564-7630, ext. 331, kjones@kyhousing.org
- Special Needs Assistance, Karen Jones, (502) 564-7630, ext. 331, kjones@kyhousing.org

COMMUNITY PLANNING AND DEVELOPMENT

- HOME Investment Partnerships Program, Rob Ellis, (502) 564-7630, ext. 386, rellis@kyhousing.org
- Nonprofit Housing Production and Repair, Crystal Harrod, (502) 564-7630, ext. 389, charrod@kyhousing.org
- Lead-Based Paint Compliance, Mike Dant, (502) 564-7630, ext. 394, mdant@kyhousing.org

FIELD SERVICES

- Housing Development Fund, Geri Meyers, (502) 564-7630, ext. 356, gmeyers@kyhousing.org
- Repair Affair, Sandy Strange, (502) 564-7630, ext. 353, sstrange@kyhousing.org

SPECIALIZED HOUSING RESOURCES

- Continuum of Care, Natalie Hutcheson, (502) 564-7630, ext. 412, nhutcheson@kyhousing.org
- Kentucky Appalachian Housing Program, Tom Carew, (606) 780-0944, tcarew@kyhousing.org
- Affordable Housing Trust Fund, Faye O'Dell, (502) 564-7630, ext. 413, fodell@kyhousing.org
- Housing Opportunities for Persons With AIDS, Kimberly Burris, (502) 564-7630, ext. 414, kburris@kyhousing.org

SPECIAL PROGRAMS AND SERVICES

- Renaissance Kentucky, Penny Young, (502) 564-7630, ext. 305, pyoung@kyhousing.org
- Housing Policy Advisory Committee, Natalie Hutcheson, (502) 564-7630, ext. 412, nhutcheson@kyhousing.org



For additional copies of Kentucky Housing Corporation's
2000 Annual Financial Statements, please call Paula Johnson at
(502) 564-7630, extension 273, or
e-mail pjohnson@kyhousing.org.

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(502) 564-7630 (800) 633-8896
TTY/V (800) 648-6056/6057

The Kentucky Housing Corporation 2000 Annual Report is also available at
www.kyhousing.org.

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Writer, Jane McCord
Printed and produced by FEEBACK Printing Company

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